

NIPOMO COMMUNITY SERVICES DISTRICT AGENDA

NOVEMBER 19, 2003

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, DIRECTOR

STAFF

DOUG JONES, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

The Nipomo Community Services District's mission is to provide the citizens of the District with quality, innovative, and cost-effective services through responsive and responsible local government to meet the changing needs of the community.

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson. Consistent with the Americans with Disabilities Act, NCS D Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

- A. CALL TO ORDER AND FLAG SALUTE
B. ROLL CALL
C. PUBLIC COMMENTS PERIOD
PUBLIC COMMENTS
Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board.
Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.
D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)
D-1) DISTRICT AUDIT REPORT FOR FY 2002-03
Carlos Reynoso, CPA, will review the annual audit report
D-2) SLO CO GROUNDWATER MONITORING PROGRAM – CHRISTINE FERRARA
Review County well monitoring program and desalination information
D-3) REQUEST FOR SERVICE – CO 03-0301 (ROBINSON)
Request for water service for a commercial 12-bldg development on Sandydale & N. Frontage
D-4) REQUEST FOR SERVICE - TRACT 2595 (MARTIN/BAUR)
Request for water and sewer service for a 6-lot development on W. Price Street
E. OTHER BUSINESS
F. CONSENT AGENDA The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.
F-1) WARRANTS [RECOMMEND APPROVAL]
F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of October 8, 2003, Regular Board meeting
Minutes of October 16, 2003, Special Board meeting
Minutes of October 21, 2003, Study Session
Minutes of October 22, 2003, Regular Board meeting
Minutes of November 5, 2003, Regular Board meeting
G. MANAGER'S REPORT
NO REPORT
H. COMMITTEE REPORTS
I. DIRECTORS COMMENTS
I-1) Director Vierheilig-Moratorium on all zoning changes/density increases in NCS D boundary


CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC§54956.9

- A. SMVWCD VS NCS D SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
B. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES, CONFERENCE WITH NEGOTIATOR GC§54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.
C. ANTICIPATED LITIGATION, ONE CASE GC §54958.9

ADJOURN

The next regular Board meeting will be December 3, 2003.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: NOVEMBER 19, 2003

AGENDA ITEM
D 1
NOVEMBER 19, 2003

AUDIT REPORT FOR DISTRICT'S FY 2002-2003

ITEM

Audit Report for District's FY 2002-2003

BACKGROUND

The District is required by law to have an independent, annual audit performed on its financial statements. Carlos Reynoso, CPA, prepared the audit for the fiscal year ending June 30, 2003.

Carlos Reynoso, CPA, will review the audit report with your Honorable Board. He will answer any questions you may have regarding the financial statements.

RECOMMENDATION

Upon completion of the presentation and public comments, a motion would be in order to accept and file the Audit Report for FY 2002-2003.

Board 2003/Audit Report.DOC



Carlos J. Reynoso
Certified Public Accountant

935 Riverside Ave., Suite 8 • P.O. Box 70
Paso Robles, California 93447-0070
(805) 238-9601 • Fax (805) 238-2406
E-mail: cjrcpa@sbcglobal.net

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH "GOVERNMENT AUDITING STANDARDS"

Board of Directors
NIPOMO COMMUNITY SERVICES DISTRICT
Nipomo, California

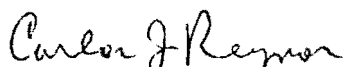
I have audited the financial statements of Nipomo Community Services District as of and for the year ended June 30, 2003, and have issued my report thereon dated August 8, 2003.

I conducted my audit in accordance with generally accepted auditing standards and "Government Auditing Standards", issued by the Comptroller of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Nipomo Community Services District, is the responsibility of District management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the District's compliance with certain provisions of laws, regulations, and contracts, as applicable. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the board of directors, management, and the Office of the State Controller. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Carlos J. Reynoso, C.P.A.

August 8, 2003

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(805) 929-1133 FAX (805) 929-1932 Email address gm@nipomocsd.com

MANAGEMENT DISCUSSION AND ANALYSIS

The Nipomo Community Services District's discussion and analysis is designed to:

- assist the reader in focusing on significant financial issues
- provide an overview of the District's financial activity
- identify changes in the District's financial position
- identify any material deviations from the financial plan (the approved budget)
- identify individual fund issues or concerns

Since the Management's Discussion and Analysis (MD & A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Independent Auditor's Report (beginning on page 1) and the District's financial statements (beginning on page 3).

A. DESCRIPTION OF THE BASIC FINANCIAL STATEMENTS

District Staff performs the accounting functions of the District. The District utilizes the Fund Accounting method. The National Council on Government defines the term *fund* as follows:

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

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NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

CONDENSED FINANCIAL INFORMATION

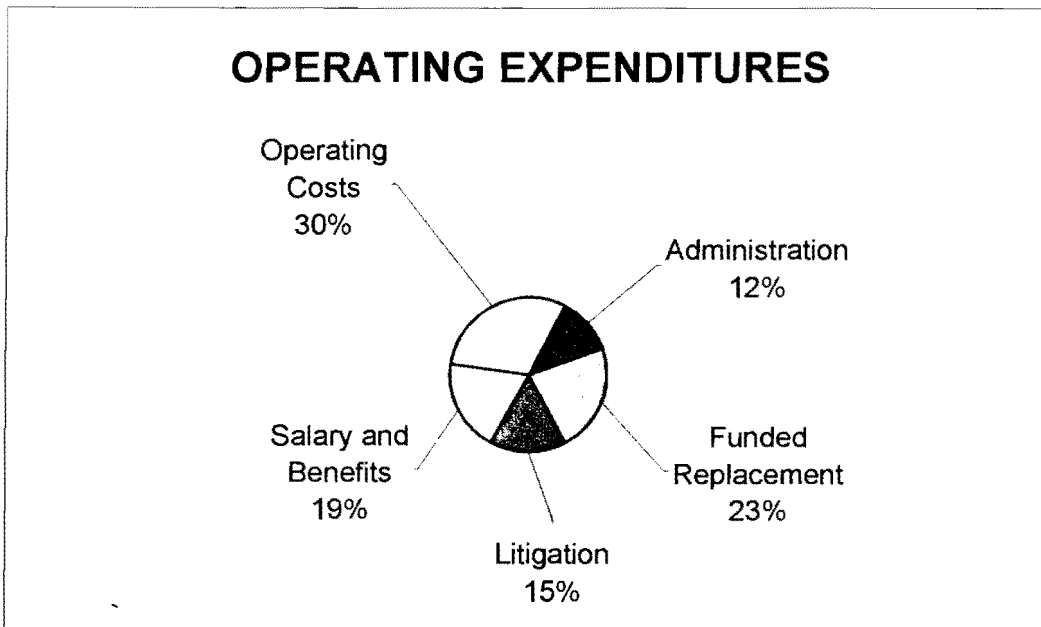
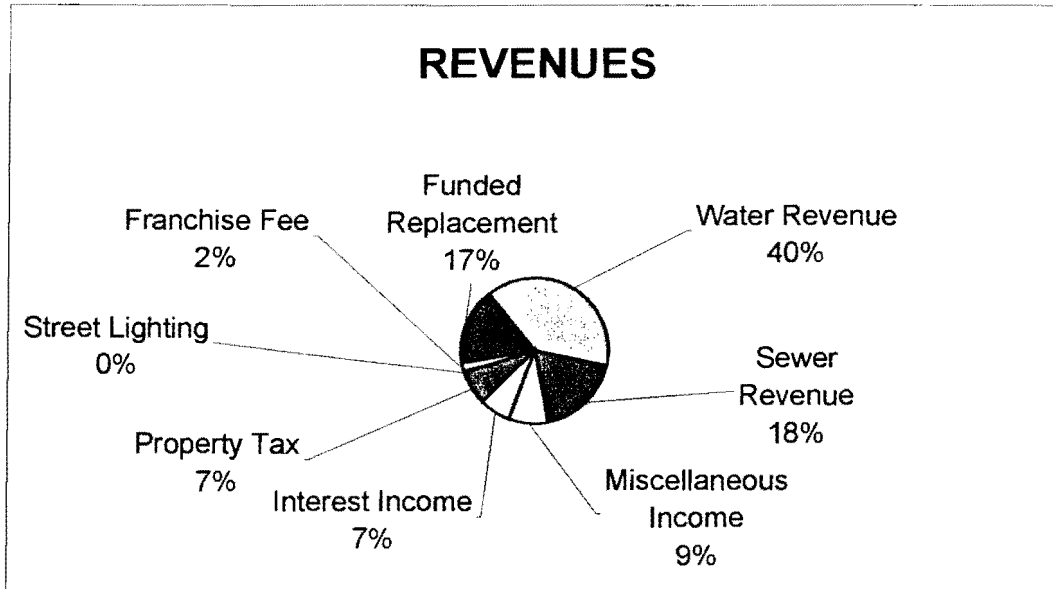
STATEMENT OF NET ASSETS

	June 30, 2003	June 30, 2002
Current and other assets	\$ 16,909,323	\$ 12,025,564
Capital assets, net	22,369,622	20,694,382
Total Assets	39,278,945	32,719,946
Other liabilities	670,927	477,379
Long-term debt outstanding	5,436,958	1,521,007
Total Liabilities	6,107,885	1,998,386
Net Assets:		
Invested in capital assets, net of debt	16,932,664	19,173,376
Restricted	10,292,542	9,388,536
Unrestricted	5,945,854	2,159,648
Total Net Assets	\$ 33,171,060	\$ 30,721,560

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

	June 30, 2003	June 30, 2002
Revenues:		
Charges for services	\$ 2,291,312	\$ 2,124,957
Miscellaneous	418,685	392,650
Total Revenues	2,709,997	2,517,607
Expenses:		
Water	1,984,503	1,746,735
Sewer	787,327	707,168
Other	234,726	218,993
Total Operating Expenses	3,006,556	2,672,896
Non Operating Revenues(Expenses):		
Interest income	272,524	345,206
Miscellaneous revenues	292,078	258,814
Interest expense	(8,450)	(9,150)
Total Non Operating Revenues(Expenses)	556,152	439,931
Capital Contributions	2,189,907	2,362,893
Change in Net Assets	2,449,500	2,802,824
Total Net Assets - Beginning 7/1	30,721,560	27,918,736
Total Net Assets - Ending 6/30	\$ 33,171,060	\$ 30,721,560

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MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003



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FISCAL YEAR ENDING JUNE 30, 2003

B. ANALYSIS OF OVERALL FINANCIAL POSITION AND RESULTS OF OPERATION

- Overall revenues increased 7.6%
- Overall operating expenditures increased 12.4%
- Total assets increased 20%
- Total liabilities increased 305%
- Capital contributions, including water and sewer capacity fees and developer donated assets decreased 7.3%

C. ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

- Water revenues for the Town Division increased 10.2% and the Blacklake Division decreased 2%. The increase in the Town Division may be attributable to the growth this Division has been experiencing as well as a rate increase that went into effect on January 1, 2003. The decrease may be attributable to water conservation. Blacklake Division did not have a water rate increase in this fiscal year.
- Sewer revenues for the Town Division increased 7.6% and the Blacklake Division increased 4.1%. The increase in the Town Division may be attributable to growth in this Division, existing property owners connecting the sewer system and a rate increase that went into effect on July 1, 2002. The increase in the Blacklake Division is attributable to a rate increase that went into effect on July 1, 2002.

D. ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN THE BUDGET AND ACTUAL YEAR END RESULTS

COMPARISION OF BUDGET AMOUNTS TO ACTUAL

	<u>2002-03</u> <u>BUDGET</u>	<u>2002-03</u> <u>ACTUAL</u>	% ACTUAL IS OVER(+)/UNDER(-) <u>BUDGET</u>	POSITIVE (+) OR NEGATIVE (-) IMPACT ON <u>BUDGET</u>
Total revenues	\$ 2,456,189	\$ 2,517,607	2.4%	+
Total Expenditures	2,737,349	2,988,560	-8.4%	+
Non Operating Income & Expenses	596,550	556,152	-7.2%	-

There were no significant variations between the budget and actual year-end results.

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

E. DESCRIPTION OF SIGNIFICANT CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

All assets purchased by the District are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received by the District. Donated or contributed fixed assets from developers account for the largest increase in capital assets this year.

CAPITAL ASSETS CONTRIBUTED	FAIR MARKET VALUE
Town Division Water	\$ 164,337
Town Division Sewer	\$ 113,058
Blacklake Division Water	\$ 0
Blacklake Division Sewer	\$ 0
TOTAL	\$ 277,395

Several years ago, the District recognized the need to implement a Replacement Recovery program. A Replacement Study was completed and a systematic method of funding the replacement was implemented via the budget process. Replacement is very important for water and sewer utilities because of the large investment in the infrastructure required to provide service. A failure to adequately fund the replacement of utility assets over their useful life could result in substantial financing requirements in the future. The replacement funds are restricted and placed in four separate funds (Town Water, Town Sewer, Blacklake Water and Blacklake Sewer) and can only be utilized for replacement and repairs of aging facilities.

The District issued Revenue Certificates of Participation (COP'S) on May 1, 2003. The proceeds are to be used for improvements to the Town Division Water infrastructure. The total long-term debt as of June 30, 2003 is as follows:

Town Division Water	Eureka well development	\$ 162,000
Town Division Sewer	Sewer plant expansion	\$1,274,958
Property Tax Secured	Water Improvements	\$4,000,000
Total Long-term debt		\$5,436,958

F. DISCUSSION OF USE OF THE MODIFIED APPROACH TO REPORT INFRASTRUCTURE ASSETS

Not applicable. Nipomo Community Services District does not use the modified approach.

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

G. DESCRIPTION OF FACTS OR CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON FINANCIAL POSITION OR RESULTS OF OPERATION

- The Board of Directors is reviewing supplemental water supplies and the associated costs of acquiring such water.
- The District is currently processing two annexations known as Annexation No. 23 and 25 (known as Nester and Lyn Road)
- The legal fees for special water counsel for the groundwater adjudication continue. The outcome of the adjudication is unknown along with any associated financial impacts.

H. ECONOMIC FACTORS

The Nipomo Community Services District's water and sewer operations rely solely on user fees. The water rates for the Town Division will increase on January 1, 2004. The sewer rates for the Blacklake Division will increase on December 1, 2003. The sewer rates for the Town Division will increase on July 1, 2004.

The increases for both water and sewer are a result of increased operating costs such as electricity and natural gas, an overall increase in other expenses and the resolution of the Board of Directors to fund replacement. In addition, the Town and Blacklake Water Divisions are financing the on-going groundwater litigation.

I. REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Nipomo Community Services District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Assistant Administrator, Nipomo Community Services District, P. O. Box 326, Nipomo, CA 93444.

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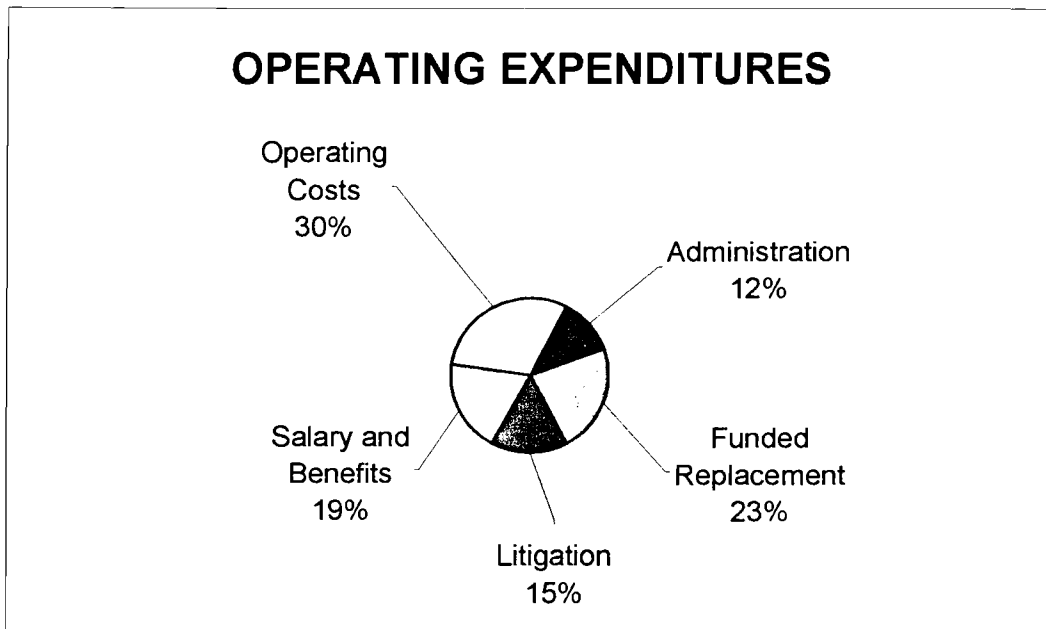
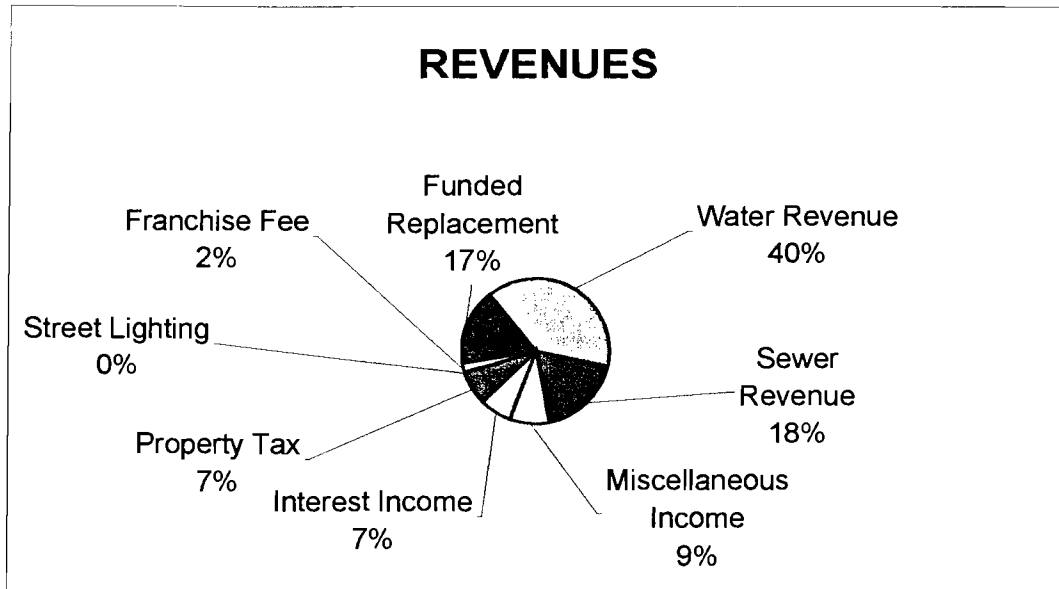
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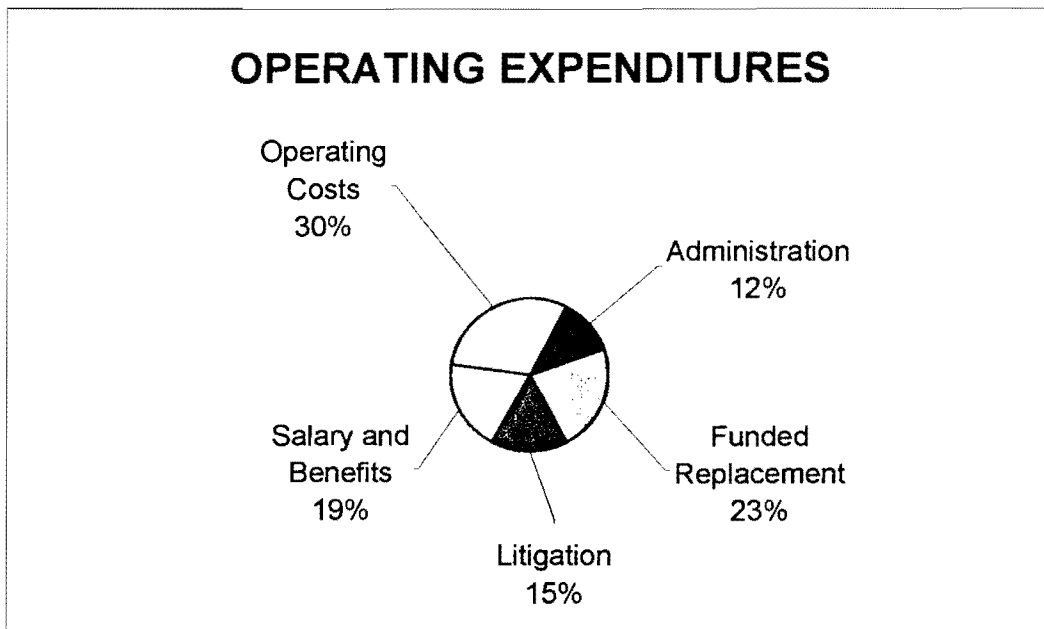
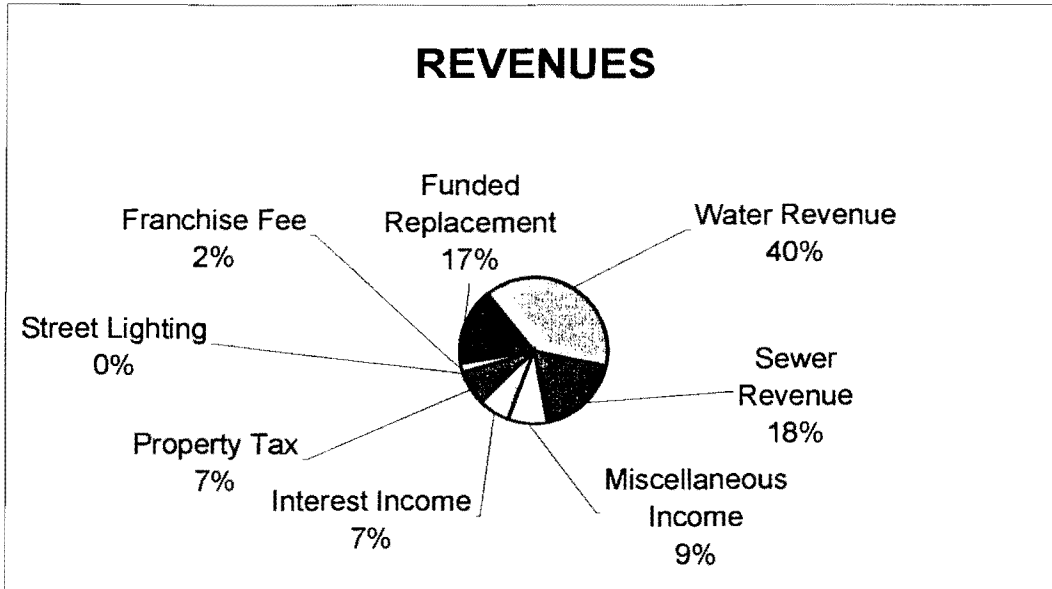
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Total Net Assets	\$ 33,171,060	\$ 30,721,560

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

	June 30, 2003	June 30, 2002
Revenues:		
Charges for services	\$ 2,291,312	\$ 2,124,957
Miscellaneous	418,685	392,650
Total Revenues	2,709,997	2,517,607
Expenses:		
Water	1,984,503	1,746,735
Sewer	787,327	707,168
Other	234,726	218,993
Total Operating Expenses	3,006,556	2,672,896
Non Operating Revenues(Expenses):		
Interest income	272,524	345,206
Miscellaneous revenues	292,078	258,814
Interest expense	(8,450)	(9,150)
Total Non Operating Revenues(Expenses)	556,152	439,931
Capital Contributions	2,189,907	2,362,893
Change in Net Assets	2,449,500	2,802,824
Total Net Assets - Beginning 7/1	30,721,560	27,918,736
Total Net Assets - Ending 6/30	\$ 33,171,060	\$ 30,721,560

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003



NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

B. ANALYSIS OF OVERALL FINANCIAL POSITION AND RESULTS OF OPERATION

- Overall revenues increased 7.6%
- Overall operating expenditures increased 12.4%
- Total assets increased 20%
- Total liabilities increased 305%
- Capital contributions, including water and sewer capacity fees and developer donated assets decreased 7.3%

C. ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

- Water revenues for the Town Division increased 10.2% and the Blacklake Division decreased 2%. The increase in the Town Division may be attributable to the growth this Division has been experiencing as well as a rate increase that went into effect on January 1, 2003. The decrease may be attributable to water conservation. Blacklake Division did not have a water rate increase in this fiscal year.
- Sewer revenues for the Town Division increased 7.6% and the Blacklake Division increased 4.1%. The increase in the Town Division may be attributable to growth in this Division, existing property owners connecting the sewer system and a rate increase that went into effect on July 1, 2002. The increase in the Blacklake Division is attributable to a rate increase that went into effect on July 1, 2002.

D. ANALYSIS OF SIGNIFICANT VARIATIONS BETWEEN THE BUDGET AND ACTUAL YEAR END RESULTS

COMPARISION OF BUDGET AMOUNTS TO ACTUAL

	<u>2002-03</u> <u>BUDGET</u>	<u>2002-03</u> <u>ACTUAL</u>	% ACTUAL IS OVER(+)/UNDER(-) <u>BUDGET</u>	POSITIVE (+) OR NEGATIVE (-) IMPACT ON <u>BUDGET</u>
Total revenues	\$ 2,456,189	\$ 2,517,607	2.4%	+
Total Expenditures	2,737,349	2,988,560	-8.4%	+
Non Operating Income & Expenses	596,550	556,152	-7.2%	-

There were no significant variations between the budget and actual year-end results.

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

E. DESCRIPTION OF SIGNIFICANT CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

All assets purchased by the District are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received by the District. Donated or contributed fixed assets from developers account for the largest increase in capital assets this year.

CAPITAL ASSETS CONTRIBUTED	FAIR MARKET VALUE
Town Division Water	\$ 164,337
Town Division Sewer	\$ 113,058
Blacklake Division Water	\$ 0
Blacklake Division Sewer	\$ 0
TOTAL	\$ 277,395

Several years ago, the District recognized the need to implement a Replacement Recovery program. A Replacement Study was completed and a systematic method of funding the replacement was implemented via the budget process. Replacement is very important for water and sewer utilities because of the large investment in the infrastructure required to provide service. A failure to adequately fund the replacement of utility assets over their useful life could result in substantial financing requirements in the future. The replacement funds are restricted and placed in four separate funds (Town Water, Town Sewer, Blacklake Water and Blacklake Sewer) and can only be utilized for replacement and repairs of aging facilities.

The District issued Revenue Certificates of Participation (COP'S) on May 1, 2003. The proceeds are to be used for improvements to the Town Division Water infrastructure. The total long-term debt as of June 30, 2003 is as follows:

Town Division Water	Eureka well development	\$ 162,000
Town Division Sewer	Sewer plant expansion	\$1,274,958
Property Tax Secured	Water Improvements	\$4,000,000
Total Long-term debt		\$5,436,958

F. DISCUSSION OF USE OF THE MODIFIED APPROACH TO REPORT INFRASTRUCTURE ASSETS

Not applicable. Nipomo Community Services District does not use the modified approach.

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

G. DESCRIPTION OF FACTS OR CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON FINANCIAL POSITION OR RESULTS OF OPERATION

- The Board of Directors is reviewing supplemental water supplies and the associated costs of acquiring such water.
- The District is currently processing two annexations known as Annexation No. 23 and 25 (known as Nester and Lyn Road)
- The legal fees for special water counsel for the groundwater adjudication continue. The outcome of the adjudication is unknown along with any associated financial impacts.

H. ECONOMIC FACTORS

The Nipomo Community Services District's water and sewer operations rely solely on user fees. The water rates for the Town Division will increase on January 1, 2004. The sewer rates for the Blacklake Division will increase on December 1, 2003. The sewer rates for the Town Division will increase on July 1, 2004.

The increases for both water and sewer are a result of increased operating costs such as electricity and natural gas, an overall increase in other expenses and the resolution of the Board of Directors to fund replacement. In addition, the Town and Blacklake Water Divisions are financing the on-going groundwater litigation.

I. REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Nipomo Community Services District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Assistant Administrator, Nipomo Community Services District, P. O. Box 326, Nipomo, CA 93444.

NIPOMO COMMUNITY

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, DIRECTOR
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, DIRECTOR



SERVICES DISTRICT

STAFF

DOUGLAS JONES, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
JON SEITZ, GENERAL COUNSEL

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Email address gm@nipomocsd.com

MANAGEMENT DISCUSSION AND ANALYSIS

The Nipomo Community Services District's discussion and analysis is designed to:

- assist the reader in focusing on significant financial issues
- provide an overview of the District's financial activity
- identify changes in the District's financial position
- identify any material deviations from the financial plan (the approved budget)
- identify individual fund issues or concerns

Since the Management's Discussion and Analysis (MD & A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Independent Auditor's Report (beginning on page 1) and the District's financial statements (beginning on page 3).

A. DESCRIPTION OF THE BASIC FINANCIAL STATEMENTS

District Staff performs the accounting functions of the District. The District utilizes the Fund Accounting method. The National Council on Government defines the term *fund* as follows:

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Financial statements (Consolidated Balance and Income Statements) are presented and reviewed quarterly by the Board of Directors, and confirmed annually by an outside independent audit. The footnotes contained as supplemental information in the annual Audit Report provides specific accounting details about Nipomo Community Services District such the basis of accounting, capital assets, and long-term debt. There were no significant accounting process changes during the fiscal year.

NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

CONDENSED FINANCIAL INFORMATION

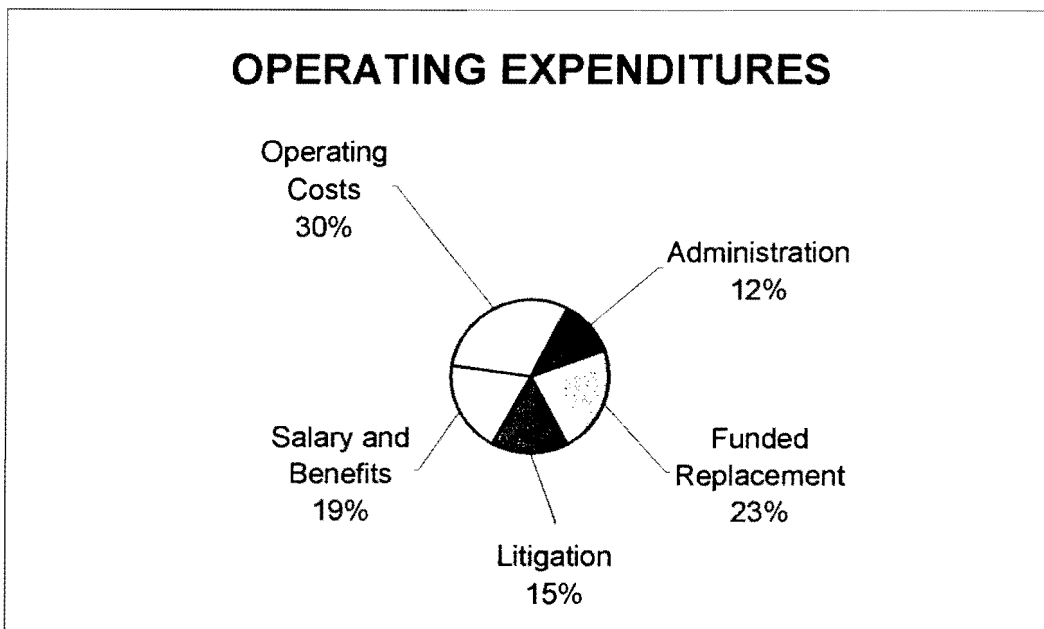
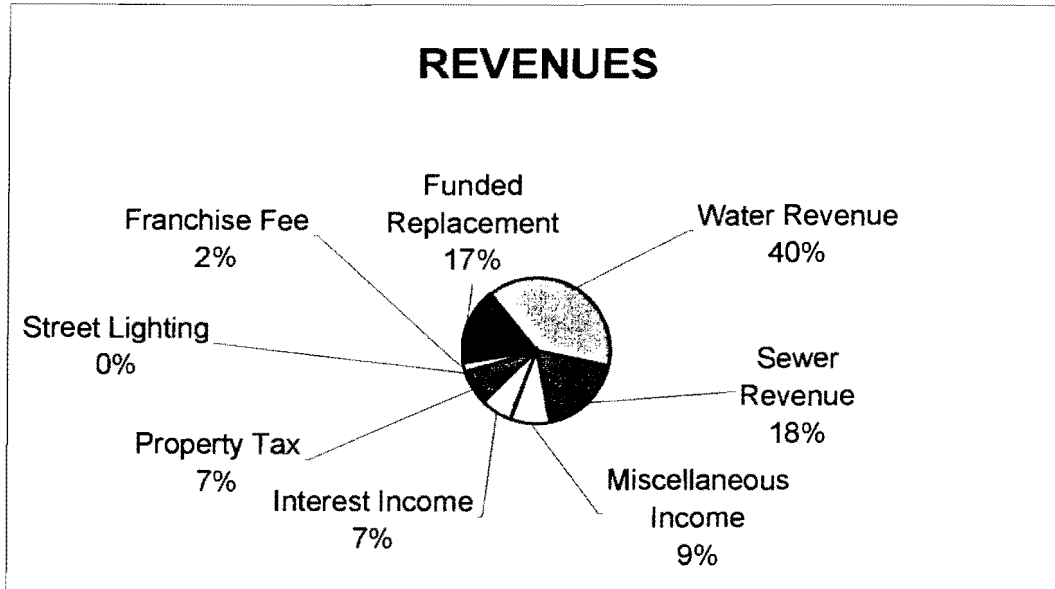
STATEMENT OF NET ASSETS

	June 30, 2003	June 30, 2002
Current and other assets	\$ 16,909,323	\$ 12,025,564
Capital assets, net	22,369,622	20,694,382
Total Assets	39,278,945	32,719,946
Other liabilities	670,927	477,379
Long-term debt outstanding	5,436,958	1,521,007
Total Liabilities	6,107,885	1,998,386
Net Assets:		
Invested in capital assets, net of debt	16,932,664	19,173,376
Restricted	10,292,542	9,388,536
Unrestricted	5,945,854	2,159,648
Total Net Assets	\$ 33,171,060	\$ 30,721,560

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

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NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003



NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

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COMPARISION OF BUDGET AMOUNTS TO ACTUAL

	2002-03	2002-03	% ACTUAL IS	POSITIVE (+) OR
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			<u>BUDGET</u>	IMPACT ON
				<u>BUDGET</u>
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Total Expenditures	2,737,349	2,988,560	-8.4%	+
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NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

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NIPOMO COMMUNITY SERVICES DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2003

G. DESCRIPTION OF FACTS OR CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON FINANCIAL POSITION OR RESULTS OF OPERATION

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H. ECONOMIC FACTORS

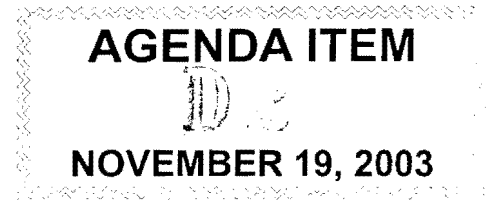
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TO: BOARD OF DIRECTORS
FROM: DOUG JONES 
DATE: NOVEMBER 19, 2003



SLO CO GROUNDWATER MONITORING PROGRAM – CHRISTINE FERRARA

ITEM

Review County well monitoring program and desalination information

BACKGROUND

Christine Ferrara from SLO County Public Works Department will discuss the County's groundwater monitoring program in the Nipomo Mesa area.

Your Honorable Board has requested information on the SLO County groundwater monitoring program. Ms. Ferrara will review the program and answer any questions you may have on this subject and her knowledge of desalination.

RECOMMENDATION

This is an information item only.

TO: BOARD OF DIRECTORS
FROM: DOUG JONES *D*
DATE: NOVEMBER 19, 2003

AGENDA ITEM

NOVEMBER 19, 2003

REQUEST FOR SERVICE
CO 03-0301
ROBINSON

ITEM

Request for water service for a 12-building commercial development at Sandydale and N. Frontage Road.

BACKGROUND

The District has received an application for an Intent-to-Serve letter for water service to CO 03-0301, a 12-building commercial development at Sandydale and North Frontage Road. This item was continued so a representative for the developer could be present to answer the Board's questions. Estimated commercial water use is 0.9 AFY and landscaping 0.8 AFY. An on-site septic system will need to be used since sewer service presently is not available.

Your Honorable Board may issue an Intent-to-Serve letter for Tract 2398 subject to the following conditions:

1. Enter into a Plan Check and Inspection Agreement and pay the appropriate fees.
2. Submit two (2) sets of improvement plans showing appropriate District services to the project prepared in accordance with the District Standards and Specifications for review and approval.
3. Pay all appropriate District water and other fees associated with this development.
4. Extend water line on Frontage Road to the District's northerly boundary.
5. When sewer becomes available, connection will be required. The associated costs of sewer service will be the responsibility of the property owner.
6. Construct the improvements required and submit the following:
 - a. Reproducible "As Builts" - A mylar copy and digital format disk (Auto Cad) which includes engineer, developer, tract number and water improvements
 - b. Offer of Dedication
 - c. Engineer's Certification
 - d. A summary of all water improvement costs
7. This Intent-to-Serve Letter will expire two years from date of issuance.

RECOMMENDATION

Staff recommends that your Honorable Board approve the issuance of an Intent-to-Serve letter for Parcel Map CO 03-0301 with the above mentioned conditions.

DATE _____

**NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR
INTENT-TO SERVE LETTER**

1. SLO County Planning Department/Tract or Development No.: CO 03-0301
2. Project's Location: NORTHWEST CORNER OF SANDYDALE & FRONTAGE
3. Assessor's Parcel Number (APN) of lot(s) to be served: 091-325-022
4. Total Number of Residential Units: 0
5. Owner Name: ROBERT D. ROBINSON
6. Business Address: _____
7. Mailing Address: PO BOX 8445 GOLETA CA. 93118
8. Phone Number: (805) 961-8302
9. Agent's Name (Architect or Engineer): GLENN RIDER: EDA DESIGN PROFESSIONAL
10. Mailing Address: 1998 SANTA BARBARA ST. SLO CA. 93401
11. Phone Number: (805) 549-8658
12. Type of Use:
 - Single Family Residence Duplex Triplex Multi-Family
 - Subdivision
 - Commercial? _____ Type RETAIL, SERVICES & WAREHOUSING
 - Remodel: (Project Description) _____
13. Submit six (6) copies of the tract map and one reduced copy (8½" x 11").
14. COMMERCIAL PROJECTS – Submit the following for District review:
 - a. Five (5) sets of site plans that show the approximate square footage of each unit, the site topography and an estimate of the number of plumbing fixture units to serve each unit in the project; and
 - b. A reduced copy of the site plan (8½" x 11")
 - c. An engineer or architect's estimate of yearly water (AFY) and sewer (MGD) demand for the project Water = 0.9 AFY Sewer = 0.00003 MGD
 - d. Landscaping irrigation requirements. (AFY) = 0.8 AFY

**NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR
INTENT-TO SERVE LETTER
PAGE TWO**

15. The Applicant agrees that in accordance with generally accepted construction practices, Applicant shall assume sole and complete responsibility for the condition of the job site during the course of the project, including the safety of persons and property; that this requirement shall apply continuously and not be limited to normal working hours; and the Applicant shall defend, indemnify, and hold the District and District's agents, employees and consultants harmless from any and all claims, demands, damages, costs, expenses (including attorney's fees) judgements or liabilities arising out of the performance or attempted performance of the work on this project; except those claims, demands, damages, costs, expenses (including attorney's fees) judgements or liabilities resulting from the negligence or willful misconduct of the District.

Nothing in the foregoing indemnity provision shall be construed to require Applicant to indemnify District against any responsibility or liability or contravention of Civil Code §2782.

16. The undersigned acknowledges receipt of the Nipomo Community Services District Application for District Service Policy and Guidelines (attached).

17. APPLICATION FEES:
Intent to Serve Application Processing Fee.....\$ 50.00
(Non-refundable payment attached to this application)

Date 10-23-03



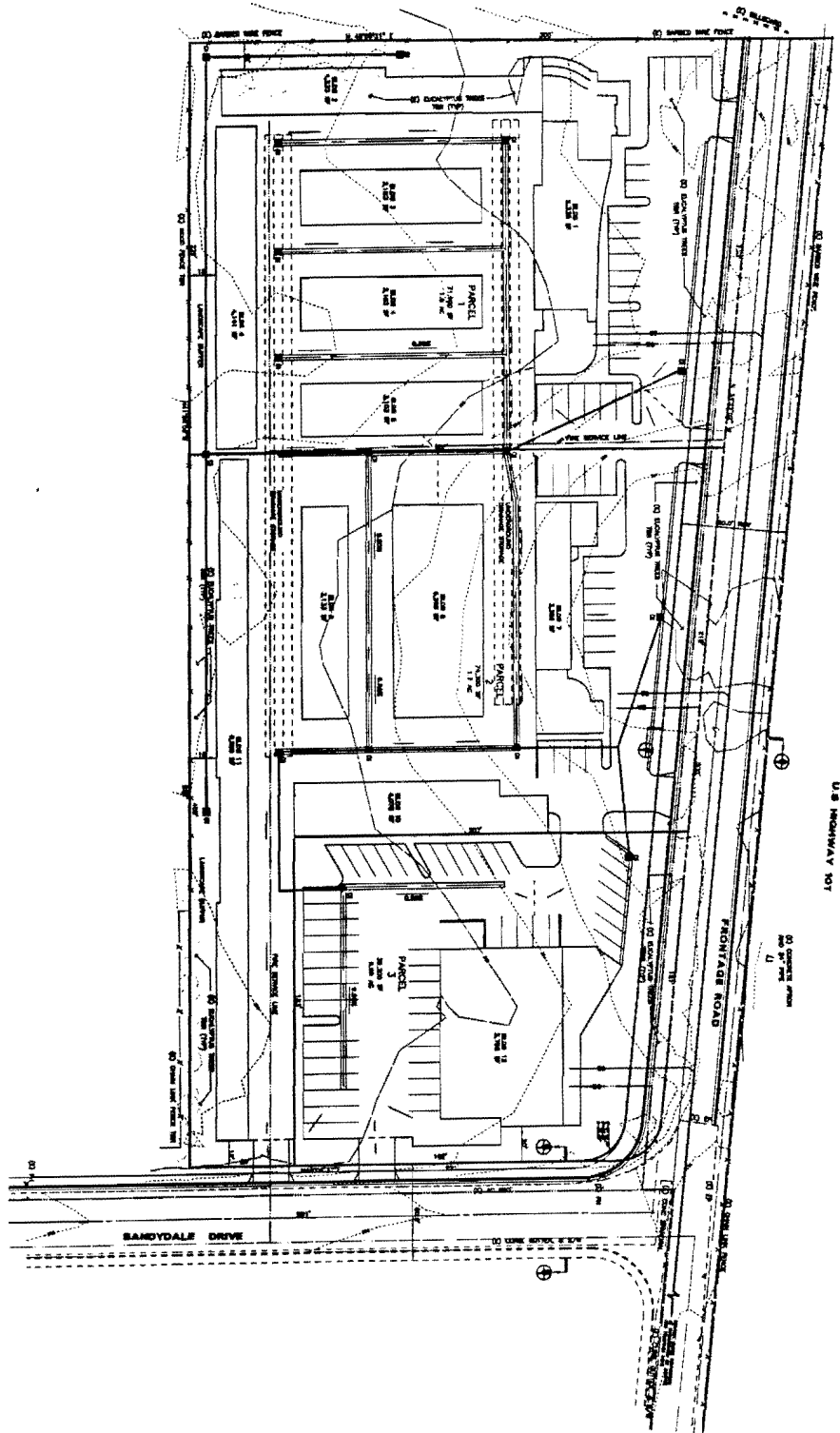
(Must be signed by owner or owner's agent)

Robert D. Robinson

Print name

FOR DISTRICT OFFICE USE:

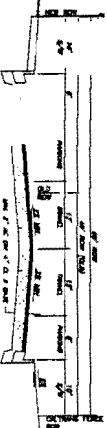
AMOUNT PAID 50⁰⁰ DATE: 10/24/03 RECEIPT 7247f
CH# 1018



U.S. HIGHWAY 101

FRONTAGE ROAD

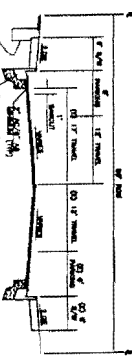
SANDYDALE DRIVE



SECTION THROUGH SECTION TO BE CONSTRUCTED AT END OF CONSTRUCTION PERIOD ON THE SOUTH SIDE OF THE ROAD. SECTION AND FINISH ELEVATION SHOWN IN FEET AND INCHES.

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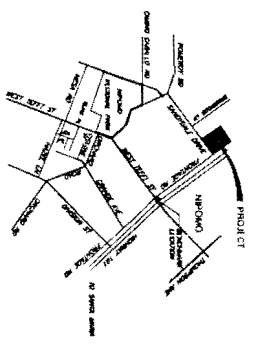
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LEGEND

1" = 10'	1" = 10'
2" = 20'	1" = 10'
3" = 30'	1" = 10'
4" = 40'	1" = 10'
5" = 50'	1" = 10'
6" = 60'	1" = 10'
7" = 70'	1" = 10'
8" = 80'	1" = 10'
9" = 90'	1" = 10'
10" = 100'	1" = 10'
11" = 110'	1" = 10'
12" = 120'	1" = 10'
13" = 130'	1" = 10'
14" = 140'	1" = 10'
15" = 150'	1" = 10'
16" = 160'	1" = 10'
17" = 170'	1" = 10'
18" = 180'	1" = 10'
19" = 190'	1" = 10'
20" = 200'	1" = 10'
21" = 210'	1" = 10'
22" = 220'	1" = 10'
23" = 230'	1" = 10'
24" = 240'	1" = 10'
25" = 250'	1" = 10'
26" = 260'	1" = 10'
27" = 270'	1" = 10'
28" = 280'	1" = 10'
29" = 290'	1" = 10'
30" = 300'	1" = 10'



VICINITY MAP

- PROJECT DATA**
1. PROJECT NUMBER: 101-101-101
 2. PROJECT NAME: WESTING TENTATIVE PARCEL MAP
 3. PROJECT LOCATION: SANDYDALE DRIVE, SANDYDALE, CALIFORNIA
 4. PROJECT AREA: 1.1 ACRES
 5. PROJECT OWNER: WESTING ELECTRIC CORPORATION
 6. PROJECT ENGINEER: [Name]
 7. PROJECT DATE: [Date]
 8. PROJECT STATUS: TENTATIVE
 9. PROJECT NOTES: [Notes]
 10. PROJECT CONTACT: [Contact Info]
 11. PROJECT LEGAL DESCRIPTION: [Legal Description]

**WESTING TENTATIVE
PARCEL MAP**

FOR
CO 03-0301

APPROVED BY: [Signature]

DATE: [Date]

WESTING ELECTRIC CORPORATION
101-101-101
SANDYDALE, CALIFORNIA



TO: BOARD OF DIRECTORS
FROM: DOUG JONES *D*
DATE: NOVEMBER 19, 2003

AGENDA ITEM
NOVEMBER 19, 2003

REQUEST FOR SERVICE
TRACT 2595
MARTIN/BAUR

ITEM

Request for water and sewer service for a 6-lot development on W. Price St.

BACKGROUND

The District has received an application for an Intent-to-Serve letter for Tract 2595, a 6-lot development at 180 W. Price Street. Five lots will be individually owned with one in common ownership. Three of the lots will have a second unit making a total of 8 units in this development. The estimated water use on this development is 3.6 AFY for the units and .75 AFY for the landscape irrigation. Wastewater flow will be less than .002 MGD. Attached is the description of the project along with a site plan.

Your Honorable Board may issue an Intent-to-Serve letter for Tract 2595 subject to the following conditions:

1. Enter into a Plan Check and Inspection Agreement and pay the appropriate fees.
2. Submit two (2) sets of improvement plans showing appropriate District services to the project prepared in accordance with the District Standards and Specifications for review and approval.
3. Have a common sewer lateral serving the five buildable parcels and be maintained by a homeowner's association.
4. Pay all appropriate District water, sewer and other fees associated with this development.
5. Construct the improvements required and submit the following:
 - a. Reproducible "As Builts" - A mylar copy and digital format disk (Auto Cad) which includes engineer, developer, tract number and water and sewer improvements
 - b. Offer of Dedication
 - c. Engineer's Certification
 - d. A summary of all water and sewer improvement costs
6. This Intent-to-Serve Letter will expire two years from date of issuance.

RECOMMENDATION

Staff recommends that your Honorable Board approve the issuance of an Intent-to-Serve letter for Tract 2595 with the above mentioned conditions.

CLAIRE MARTIN & FRED BAUR

October 23, 2003

Dear Neighbor,

We are the new owners of the Beyer property, the two houses located at 180 West Price Street in Nipomo, and we'd like to take this opportunity to introduce ourselves to you and describe our plans for the property.

As most of you know, properties in this area have been zoned by San Luis Obispo County as Residential Multi-Family, which allows up to 15 residential units per acre. Our property contains a little more than half an acre (24,077 sq ft), so we are allowed to develop up to 8 residential units.

We are proposing to develop these eight units as a Planned Unit Subdivision, which we have named the Price Street Bungalow project. Our property would be subdivided into six parcels with the residential units constructed on five of the lots. Having five individual buildings instead of one large apartment house, we believe, fits in better with the size, scale and character of the neighborhood. The five developed lots would be individually owned and the sixth lot will be owned in common by all the lot owners and contain a variety of recreation features (play structure, tables, benches, BBQ, etc.), plus the parking spaces and driveways.

Each residence has been designed with California bungalow architectural elements and contains a mix of floor plans. Two of the residential units will be single-family homes with three bedrooms, two bathrooms and a two-car garage. Two other units contain two bedrooms, two bathrooms, a two-car garage and an attached studio apartment. The fifth plan is designed with a two bedroom, two bathroom apartment on the ground floor and a one bedroom, one bathroom apartment unit located on the second floor. This building contains a three car attached garage with a two car garage for the ground floor unit and one car garage for the second floor unit (see the attached plans of the property and residences). In order to develop our project, all of the existing structures will be removed and all of the mature trees will be retained and incorporated into the private yards and common areas with the exception of one small Sycamore tree, which will have to be removed.

We feel that the mix of unit types present multiple opportunities of home and property ownership ranging from single family detached, a single family home with an attached studio apartment, or a two unit duplex that looks like a comfortable "manor" house. Most importantly, the five buildings are located on separate parcels containing private yard and garden areas with each one individually owned and the landscaped common lot areas provides plentiful open space and recreational facilities for the residents.

We are excited about our proposed project and hope you are also. We welcome your comments and look forward to your support as we proceed through the County's approval process.

Sincerely yours,



Claire Martin
Fred Baur
212 Short Street; Arroyo Grande, CA 93420
489-0110

DATE 10/20/03

NIPOMO COMMUNITY SERVICES DISTRICT
APPLICATION FOR
INTENT-TO SERVE LETTER

TRACT 2595

1. SLO County Planning Department/Tract or Development No.: VTTM # 2595
2. Project's Location: ^{URST} 100 PRICE ST ; NIPOMO, CA
3. Assessor's Parcel Number (APN) of lot(s) to be served: 090-133-030
4. Total Number of Residential Units: 5 UNITS - 5 BLDGS.
5. Owner Name: CLAIRE MARTIN & FRED BAUR
6. Business Address: _____
7. Mailing Address: 212 SHORT ST. ; ARROYO GRANDE, CA 93420
8. Phone Number: 489-0110
9. Agent's Name (Architect or Engineer): WESLEY BOND & ASSOC.
10. Mailing Address: 1009 MORRO ST #206
11. Phone Number: 543-0565
12. Type of Use:
 Single Family Residence Duplex Triplex Multi-Family
 Subdivision
 Commercial? _____ Type _____
 Remodel: (Project Description) _____

13. Submit six (6) copies of the tract map and one reduced copy (8½" x 11").

14. COMMERCIAL PROJECTS – Submit the following for District review:

a. Five (5) sets of site plans that show the approximate square footage of each unit, the site topography and an estimate of the number of plumbing fixture units to serve each unit in the project; and

b. A reduced copy of the site plan (8½" x 11")

c. An engineer or architect's estimate of yearly water (AFY) and sewer (MGD) demand for the project: WATER = 3.6 AFY

d. Landscaping irrigation requirements. (AFY)

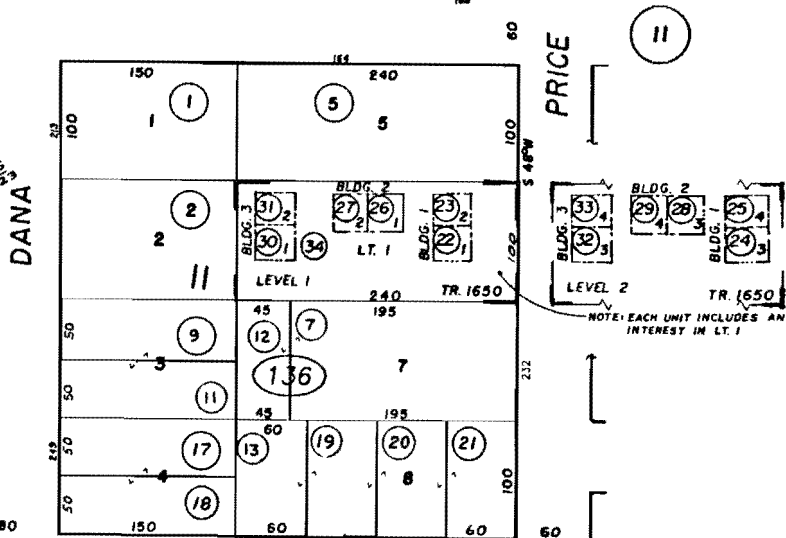
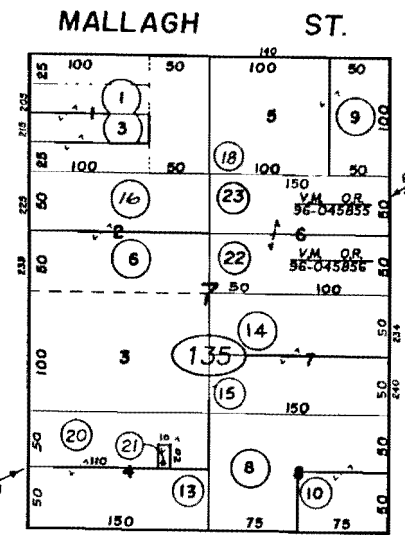
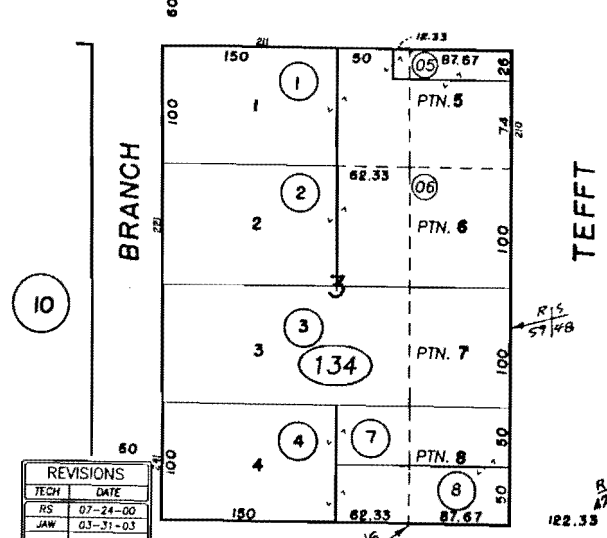
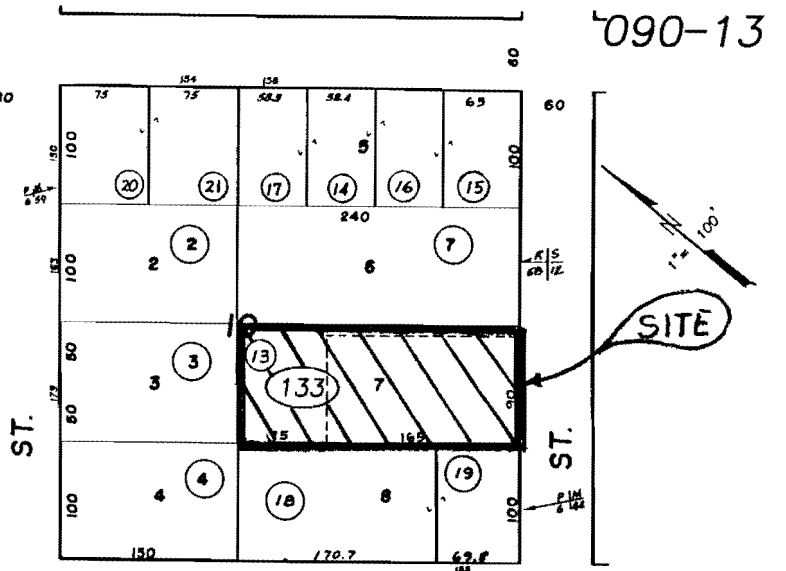
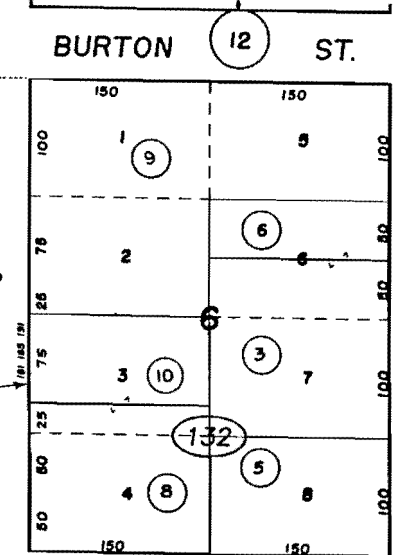
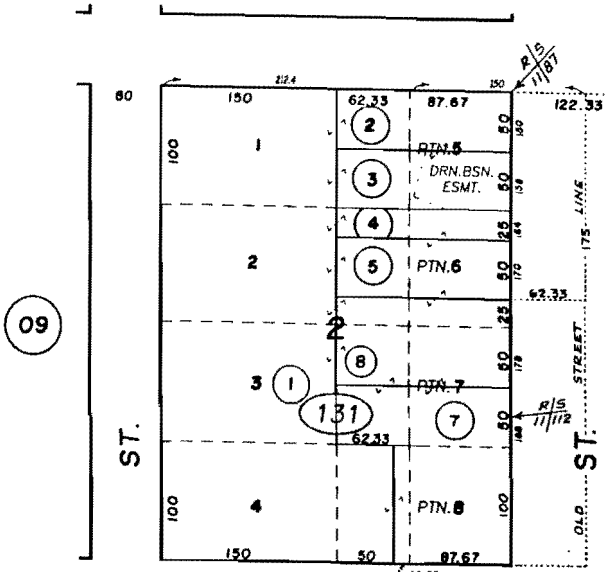
SEWER = 1200 (MGD)

• 75 AFY

RECEIVED

OCT 21 2003

SEWER



REVISIONS	
TECH	DATE
RS	07-24-00
JAW	03-31-03

RS 07-24-00 THIS MAP IS PREPARED FOR ASSESSMENT PURPOSES ONLY.

14 TRACT NO. 1650, R.M. Bk. 15, Pg. 83. CONDO PLAN 355A-784
TOWN OF NIPOMO, R.M. Bk. A, Pg. 27. CC & R'S 352B-88

NIPOMO ASSESSOR'S MAP, COUNTY OF SAN LUIS OBISPO, CA. BOOK 090 PAGE 13

TO: BOARD OF DIRECTORS
FROM: DOUG JONES
DATE: NOVEMBER 19, 2003

**AGENDA ITEM
F
NOVEMBER 19, 2003**

CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda.**

The recommendations for each item are noted in brackets.

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
 - Minutes of October 8, 2003, Regular Board meeting
 - Minutes of October 16, 2003, Special Board meeting
 - Minutes of October 21, 2003, Study Session
 - Minutes of October 22, 2003, Regular Board meeting
 - Minutes of November 5, 2003, Regular Board meeting

Staff received comments from Director Trotter on the minutes of October 8, 16, 21 and 22, 2003. His comments have been incorporated into these minutes (red-lined).

Bd2003\Consent-111903.DOC

WARRANTS NOVEMBER 19, 2003

**AGENDA ITEM
F-1
NOVEMBER 19, 2003**

HAND WRITTEN CHECKS

18672	10-31-03	SLO COUNTY CLERK	14.00
18673	11-04-03	POSTMASTER	854.50
18674	11-04-03	PG&E	56,215.97
18675	11-04-03	SLO RECORDER	64.00
18676	11-05-03	CSDA	1,000.00
18677	11-12-03	MARIA VISTA	2.79
18677		VOID	0.00

COMPUTER GENERATED CHECKS

8761	11/07/03	EMP01	EMPLOYMENT DEVELOP DEPT	391.13	.00	391.13	A31103	STATE INCOME TAX
8762	11/07/03	MID01	MIDSTATE BANK-PR TAX DEP	1379.34	.00	1379.34	A31103	FEDERAL INCOME TAX
				440.66	.00	440.66	1A31103	MEDICARE (FICA)
			Check Total.....:	1820.00	.00	1820.00		
8763	11/07/03	MID02	MIDSTATE BANK - DIRECT DP	13769.74	.00	13769.74	A31103	NET PAY DEDUCTION
8764	11/07/03	PER01	PERS RETIREMENT	2971.51	.00	2971.51	A31103	PERS PAYROLL REMITTANCE
				69.03	.00	69.03	1A31103	MILITARY SERVICE CR
			Check Total.....:	3040.54	.00	3040.54		
8765	11/07/03	SIM01	SIMMONS, DEBRA	150.00	.00	150.00	A31103	WAGE ASSIGNMENT
8766	11/07/03	STA01	STATE STREET GLOBAL	735.00	.00	735.00	A31103	DEFERRED COMP
008767	11/19/03	AME02	AMERICAN INDUSTRIAL SUPPL	353.16	.00	353.16	0124264	SHELVING UNITS
008768	11/19/03	BLU01	BLUEPRINT EXPRESS	20.65	.00	20.65	103103	BLUEPRINTS
008769	11/19/03	COM01	COMPUTER NETWORK SERVICES	1727.40	.00	1727.40	12983	COMPUTER TECHNICAL SUPPOR
008770	11/19/03	CRE01	CREEK ENVIRONMENTAL LABS	30.00	.00	30.00	K4178	BL WWTP LAB TEST
				30.00	.00	30.00	K4275	BL WWTP LAB TEST
				30.00	.00	30.00	K4303	BL WWTP LAB
			Check Total.....:	90.00	.00	90.00		
008771	11/19/03	FAR01	FARM SUPPLY COMPANY	967.60	.00	967.60	A31110	CITRIC ACID-BLWWTP
008772	11/19/03	FAR02	FAR WEST EXPRESS	10.00	.00	10.00	E60849	DELIVERY SERVICE
008773	11/19/03	FER01	FERGUSON ENTERPRISES INC	132.45	.00	132.45	581253	FLANGES/GASKETS
				126.94	.00	126.94	583172	FLANGE
			Check Total.....:	259.39	.00	259.39		
008774	11/19/03	FGL01	FGL ENVIRONMENTAL	89.60	.00	89.60	310695A	BL WWTP LAB TEST
				179.20	.00	179.20	310696A	NIPOMO WWTP LAB TEST
				44.80	.00	44.80	310969A	BL WWTP LAB TEST
				44.80	.00	44.80	310970A	NIPOMO WWTP LAB TEST
				254.40	.00	254.40	310971A	LAB TEST-BLWWTP
				381.60	.00	381.60	310972A	LAB TEST-NIPOMO WWTP
				44.80	.00	44.80	311284A	LAB TEST-BLWWTP
				44.80	.00	44.80	311517A	LAB TEST-BLWWTP
				44.80	.00	44.80	311518A	LAB TEST-NIPOMO WWTP
			Check Total.....:	1128.80	.00	1128.80		
008775	11/19/03	GAR01	GARING TAYLOR & ASSOC	438.75	.00	438.75	3791	BRACKEN SPECIFICATIONS
				1024.50	.00	1024.50	3792	TEFFT ST LIFT STATION
				1996.50	.00	1996.50	3793	MARIA VISTA PLAN CHECK
				3854.50	.00	3854.50	3794	PARK WATERLINE TOPO/SURVE
			Check Total.....:	7314.25	.00	7314.25		
008776	11/19/03	GAS01	GAS HEATING & COOLING INC	113.02	.00	113.02	41575	REPAIR OFFICE HEATING
008777	11/19/03	GEO01	GEOSOLUTIONS, INC.	225.00	.00	225.00	3991	COMPACTION TEST-OLD TOWN
008778	11/19/03	GIL01	GLM, INC.	260.00	.00	260.00	103003	OFFICE LANDSCAPE MAINTENA
				90.00	.00	90.00	A31110	BL LANDSCAPE MAINTENANCE
			Check Total.....:	350.00	.00	350.00		
008779	11/19/03	IKO01	IKON OFFICE SOLUTIONS	131.38	.00	131.38	16135934	FAX REPAIR
008780	11/19/03	JAM01	JAMES, KATHLEEN	4736.83	.00	4736.83	A31112	SEWER REIMBURSEMENT-TRACT
008781	11/19/03	KIN01	KINKO'S	275.57	.00	275.57	13801	CLEAN UP DAY COUPONS
				144.42	.00	144.42	13838/39	COPIES
			Check Total.....:	419.99	.00	419.99		

WARRANTS NOVEMBER 19, 2003

**AGENDA ITEM
F-1
NOVEMBER 19, 2003
PAGE TWO**

COMPUTER GENERATED CHECKS

008782	11/19/03	MCC01	McCROMETER	4855.86	.00	4855.86	260441RI	REPLACEMENT 4" METERS-BL
008783	11/19/03	MIS01	MISSION UNIFORM SERVICE	333.82	.00	333.82	103103	UNIFORMS
008784	11/19/03	NIC01	NICKSON'S MACHINE SHOP	2426.40	.00	2426.40	69186	SUNDALE-RE-ASSEMBLE HEAD/
	11/19/03	NIC01	NICKSON'S MACHINE SHOP	500.00	.00	500.00	69240	SUNDALE 750 HR MAINTENANC
			Check Total.....	2926.40	.00	2926.40		
008785	11/19/03	NIP01	NIPOMO ACE HARDWARE INC	32.52	.00	32.52	A31110	MISC OPERATING SUPPLIES
008786	11/19/03	NIP03	NIPOMO SHELL	1066.00	.00	1066.00	174695	FUEL-OCTOBER
008787	11/19/03	NIP08	NIPOMO CSD	441.74	.00	441.74	NCS0011	LANDSCAPE MAINT DIST WATE
008788	11/19/03	OFF01	OFFICE DEPOT	52.50	.00	52.50	223972820	MAILING SEALS-INCORPORATI
008789	11/19/03	PAC01	SBC/MCI	41.24	.00	41.24	T1840827	PHONE 9290161
				81.94	.00	81.94	T1840829	PHONE 9291133
				62.36	.00	62.36	T1840830	PHONE 9291341
			Check Total.....	185.54	.00	185.54		
008790	11/19/03	POO01	POOR RICHARD'S PRESS	6.98	.00	6.98	46453	COLORED PAPER
008791	11/19/03	PRY01	PRYOR INDUSTRIES, INC.	1529.93	.00	1529.93	110303	5 DESKS-BOARD ROOM
				11.48	.00	11.48	A31110	MOLDING
			Check Total.....	1541.41	.00	1541.41		
008792	11/19/03	QUI01	QUILL CORPORATION	17.66	.00	17.66	4626707	EMPLOYEE ONLY SIGNS
008793	11/19/03	QUI03	QUINN RENTAL SERVICES	994.21	.00	994.21	2047500	PUMP RENTAL-SLUDGE NIPOMO
				14.99	.00	14.99	2047928	CARB BLADE
			Check Total.....	1009.20	.00	1009.20		
008794	11/19/03	ROS01	ROSE REPORTING SERVICE	103.58	.00	103.58	03875	DEPOSITION
				316.84	.00	316.84	03878	DEPOSITION
				427.42	.00	427.42	03891	DEPOSITION
			Check Total.....	847.84	.00	847.84		
008795	11/19/03	SHI01	SHIPSEY & SEITZ, INC	6051.90	.00	6051.90	101503	LEGAL FEES
008796	11/19/03	SLO02	DIV OF ENVIRON HEALTH	651.00	.00	651.00	27575	BAC-T WATER SAMPLES
				1173.24	.00	1173.24	27631	CROSS CONNECTION SEPT/OCT
			Check Total.....	1824.24	.00	1824.24		
008797	11/19/03	SOU01	SOUTH COUNTY SANITARY	14.58	.00	14.58	476014	GARBAGE SERVICE
008798	11/19/03	STA06	STATE WATER RESOURCES	1962.00	.00	1962.00	0306261	NIPOMO WWTP ANNUAL DISCHA
				1962.00	.00	1962.00	0306327	BLWWTP ANNUAL DISCHARGE F
			Check Total.....	3924.00	.00	3924.00		
008799	11/19/03	THE01	THE GAS COMPANY	4112.27	.00	4112.27	A31110	SUNDALE WELL NATURAL GAS
008800	11/19/03	TRO01	TROTTER, CLIFFORD	100.00	.00	100.00	111903	REGULAR BOARD MTG 11/19/0
008801	11/19/03	USA01	USA BLUEBOOK	73.74	.00	73.74	735013	TOTAL CHLORINE TEST
008802	11/19/03	VAL01	VALLEY SEPTIC SERVICE	850.00	.00	850.00	1324	SLUDGE PUMPING-NIPOMO WWT
				400.00	.00	400.00	1331	PUMP SLUDGE
				600.00	.00	600.00	1334	EMERGENCY PUMP-SEWER LINE
			Check Total.....	1850.00	.00	1850.00		
008803	11/19/03	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	111903	REGULAR BOARD MTG 11/19/0
008804	11/19/03	WIN01	WINN, MICHAEL	100.00	.00	100.00	111903	REGULAR BOARD MTG 11/19/0
008805	11/19/03	WIN02	WINN, MICHAEL	370.00	.00	370.00	A31110	REIMBURSE-POSTAGE CLEAN
				8.59	.00	8.59	B31110	REIMBURSE-ENVELOPES CLEAN
				54.31	.00	54.31	C31110	REIMBURSE-DATE STAMP CLEAN
			Check Total.....	432.90	.00	432.90		
008806	11/19/03	WIR02	WIRSING, JUDY	100.00	.00	100.00	111903	REGULAR BOARD MTG 11/19/0
008807	11/19/03	\B004	BOND BLACKTOP INC,	432.60	.00	432.60	000A31101	MQ CUSTOMER REFUND
008808	11/19/03	\L003	LAGGREN, DOUGLAS & ANN	92.03	.00	92.03	000A31101	MQ CUSTOMER REFUND
008809	11/19/03	\S005	SCULPTURES BY EDWARDS,	353.85	.00	353.85	000A31101	MQ CUSTOMER REFUND
008810	11/19/03	\W004	WE CAN DO THAT,	363.86	.00	363.86	000A31101	MQ CUSTOMER REFUND

Total Computer Generated Checks \$70,997.32

Copy of document found at www.NoNewWipTax.com

NIPOMO COMMUNITY SERVICES DISTRICT MINUTES

OCTOBER 8, 2003

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, DIRECTOR

STAFF

DOUG JONES, GENERAL MANAGER
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson. Consistent with the Americans with Disabilities Act, NCSD Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)

A. CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 9:01 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

C. PUBLIC COMMENTS PERIOD PUBLIC COMMENTS

~~Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.~~

Larry Vierheilig, NCSD resident – announced that ECO-SLO will be having a work day for Cesar Chavez Day at the Cesar Chavez Memorial Garden on November 1, 2003, 10:00 am until noon at Osage and Camino Caballo followed by authentic Mexican food in the park, mariachis, and celebration.

~~D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)~~

D-1) PUBLIC HEARING - BUTTERFLY LANE SEWER REIMBURSEMENT FEE – TRACT 2432 (GEIHS) ~~Review/approve sewer reimbursement fee for Butterfly Lane~~

Public Hearing – The Board discussed the spread for reimbursement to the developer of Tract 2432. ~~There was no public comment.~~ Discussion included comments followed. Upon motion of Director Blair and seconded by Director Trotter, the Board unanimously approved Resolution 2003-880 approving the reimbursement amounts for Butterfly Lane sewer improvements. Vote 5-0

**RESOLUTION NO. 2003-880
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
APPROVING THE REIMBURSEMENT AMOUNTS
FOR BUTTERFLY LANE SEWER LINE IMPROVEMENTS (GEIHS)**

D-2) REQUEST FOR ANNEXATION – CARRA

~~Request to annex a 5-acre parcel at Moss Lane and Hutton Road~~

The District received a request to annex a 5-acre parcel at Moss Lane and Hutton Road. The following members of the public spoke:

Gilbert Carra, owner of subject property, outside of the District – who asked if he could ~~get~~ acquire services from NCSD for his property to serve six existing houses. He stated that the well and the septic systems are old.

Ed Eby, NCSD resident – Speaking on behalf of Save the Mesa, he read a letter to the Board (attached) with comments concerning this request for annexation.

Director Blair made a motion to deny the application for annexation but ~~allow~~ ask staff to investigate an Outside User agreement with LAFCo. Director Vierheilig seconded the motion. The motion was not carried. Vote 4-1 with Director Blair voting yes.

Upon motion of by Director Vierheilig and seconded by Director Wirsing, the Board agreed to deny the request for annexation. Vote 4-1 with Director Blair voting no.

MINUTES SUBJECT TO BOARD APPROVAL

Copy of document found at www.ci.nipomo.ca.us/ncsd/

D-3) REQUEST FOR SERVICE – TRACT 2523 (SHAEFER)

~~Request for water and sewer service for a seven lot development between Cyclone St. & Tejas Place~~

Jon Seitz, District Legal Counsel, stated that the District is not changing its 2:1 retrofit policy requirements for Annexation No. 17.

Jim McGillis, NCS D resident – stated that it is possible to retrofit parks and schools at a substantial water saving.

Ed Eby, NCS D resident – asked the Board to make sure the applicant continues with the retrofit program as agreed to in the annexation.

Upon motion of Director Blair and seconded by Director Vierheilg, the Board approved the issuance of an Intent-to-Serve letter for Tract 2523 with conditions set forth in the ~~Board~~ letter, as modified by legal counsel (Condition #1 “Enter into a water retrofit program to provide water to the proposed subdivision or other program to provide water supply to serve the project”). Vote 4-1 with Director Wirsing voting no.

E. OTHER BUSINESS

~~F. CONSENT AGENDA—The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.~~

F-1) WARRANTS [~~RECOMMEND APPROVAL~~]

F-2) BOARD MEETING MINUTES [~~RECOMMEND APPROVAL~~]

~~Minutes of September 24, 2003, Regular Board meeting~~

F-3) PROPERTY TAX EXCHANGE FOR PROPOSED ANNEXATION NO. 23 – TRACT 2499 - (NESTER)

~~Property tax exchange agreement with SLO Co. for Annexation 23~~

F-4) PROPERTY TAX EXCHANGE FOR PROPOSED ANNEXATION NO. 25 (LYN ROAD)

~~Property tax exchange agreement with SLO Co. for Annexation 25~~

F-5) MODIFICATIONS TO NCS D BUILDING USE POLICY

~~Approve the modifications to the Board room use policy, Resolution 2003-883~~

~~RESOLUTION NO. 2003-883~~

~~A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING A BOARD ROOM POLICY~~

Items F-2 and F-3 were pulled for discussion.

There was no public comment. Upon motion of Director Blair and seconded by Director Vierheilg, the Board unanimously approved Items F-1, F-4 and F-5 of the Consent Agenda. Vote 5-0

Item F-2

Director Blair stated that he is now a CSDA Director serving 9 counties not 18 counties. requested a change in Item I ~~(“stated that he is now a CSDA Board member as a Director serving 9 counties” not 18 counties.)~~

Director Trotter stated suggested a change in D-1 of the minutes. ~~(Director Trotter stated that Bill Morrow, the representative for Blacklake residents, understood the need the adjust the sewer rates.)~~ Director Trotter stated that Bill Morrow is the representative for Blacklake and Bill understands the need to adjust the Blacklake sewer rates. Upon motion of Director Vierheilg and seconded by Director Wirsing, the Board unanimously approved Item F-2 – ~~Minutes~~. Vote 5-0

Item F-3

Director Wirsing asked about the taxation rate difference for Tract 2499 and the Lyn Road annexation. Mr. Jones explained that ~~the~~ SLO County sets the rate, and ~~The~~ District has no jurisdiction in taxation ~~rates~~ matters. Upon motion of Director Blair and seconded by Director Vierheilg, the Board unanimously approved Item F-3 of the Consent Agenda. Vote 5-0

F. CONSENT AGENDA (continued)

~~RESOLUTION NO. 2003-881
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE
AND ANNUAL TAX INCREMENT FROM COUNTY OF SAN LUIS OBISPO
TO NIPOMO COMMUNITY SERVICES DISTRICT
FOR ANNEXATION NO. 23 (NESTER)~~

~~RESOLUTION NO. 2003-882
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE
AND ANNUAL TAX INCREMENT FROM COUNTY OF SAN LUIS OBISPO
TO NIPOMO COMMUNITY SERVICES DISTRICT
FOR ANNEXATION NO. 25 (LYN ROAD)~~

G. MANAGER'S REPORT

G-1) BOARD MEETING SCHEDULE FOR NOV/DEC

The Board discussed different dates to hold the November and December meetings due to holidays. There was no public comment. Upon motion of Director Blair and seconded by Director Vierheilg, the Board unanimously agreed to have the Board meetings on the first and third Wednesdays of November and December and back to the second and third Wednesdays in January 2004. Vote 5-0

The Board will be ~~going on~~ invited on a tour of Templeton Community Services District Friday, October 17, 2003.

H. COMMITTEE REPORTS

There ~~was~~ were no committee reports.

I. DIRECTORS COMMENTS

Director Trotter asked about the status of the new Board table. Mr. Jones said it would be ready in a few weeks.

Director Wirsing asked about the staffing of the NCSD booth during ~~booth~~ the October Festival. The following schedule was agreed upon to staff the booth.

Director Blair - 10:00 a.m. to 12:00 p.m.

Director Wirsing - 12:00 p.m. to 2:00 p.m.

Director Trotter - 2:00 p.m. to 4:00 p.m.

Director Vierheilg stated that over 800 plants were sold at the Native Garden Plant Sale

The Air Pollution Control District has a draft Strategic Action Plan

The Air Pollution Control District is having a workshop concerning equipment not needing permits.

Director Blair – CSDA conference in November

County fees raising ~~—~~ therefore Nipomo should be a city

~~He~~ Mr. Blair suggested that if 20% of the road tax money would go into roads, we would have best roads.

Director Winn – Stated that last Friday he attended a workshop on stormwater and non-point source pollution as put on by Cal Trans with some funding from the Regional Water Quality Control Board. ~~They~~ It seems to be focused on surface water and not so much groundwater. He stated that this District could learn about parks from Templeton CSD.

He met with representatives of CSDA at Mr. Seitz office.

The Clean Up Days – West Side – two Saturdays Nov 15 & 22. Coupons will be distributed for residents to take their own trash to the dump.

Creek Day – last Saturday in Nipomo

Clean-Up Week – October 20-25

DIRECTORS COMMENTS (continued)

Incorporation Feasibility Study – Preliminary results show that we are within 42%. He stated that he would be meeting with Supervisor Achadjian and the president of the Advisory Council today concerning the Spike Wheeler project. He has recused himself from discussion on the NCSO Board.

Another meeting will be ~~taking place on~~ scheduled to discuss the Sphere of Influence Memorandum of Agreement.

Director Wirsing asked if the Kaminaka annexation could be agendaized.

President Winn asked to set a Study Session concerning where we are as a Board.

There was no public comment on the Closed Session items.

Jon Seitz, District Legal Counsel, announced the need to go into Closed Session to discuss the Item A below.

Item C is the continuing ~~struggle dialob~~ between the District and Maria Vista concerning Plan Check and plan comments. Mr. Seitz recommended that the Board take this item off of Closed Session and set a Special Public Special Meeting date in order to appropriately ~~agenda~~ deal with this item to and allow staff to ~~do~~ compile a staff report for the Board to consider and the Board to consider comments and then make a decision as to what the District will or will not require of the developer. This may be a ~~healthier~~ more productive way to resolve the differences than with ~~letter~~ writing correspondence. Mr. Seitz discussed different dates to ~~have~~ hold a special meeting. Director Blair said he may be out of town ~~all next week~~ the week of October 13.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC§54956.9

- A. SMVWCD VS NCSO SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.
- B. WATER LINE EASEMENT ACROSS COUNTY PARK - DISTRICT NEGOTIATOR - DOUG JONES, CONFERENCE WITH NEGOTIATOR GC§54956.8 COUNTY NEGOTIATOR - PETE JENNY, REGARDING TERMS & PRICE.
- C. ANTICIPATED LITIGATION, ONE CASE GC §54958.9

ADJOURN

President Winn adjourned the meeting at 12:01 p.m.

The next regular Board meeting will be October 22, 2003.

520 Camino Roble
Nipomo, CA 93444
October 7, 2003

Nipomo Community Services District (NCSD)
Michael Winn, President
Judith Wirsing, Vice President
Robert Blair, Director
Clifford Trotter, Director
Larry Vierheilig, Director
Douglas Jones, General Manager
Donna Johnson, Secretary to the Board
Jon Seitz, General Counsel

RE: Item D-2 on the October 8, 2003 Agenda

Honorable Directors and Staff:

On behalf of Save the Mesa, I offer the following comments on this agenda item:

D-2)REQUEST FOR ANNEXATION – CARRA – Save the Mesa urges you to reject this annexation request for the following reasons:

- 1) The property is not in the NCSD Sphere of Influence.
- 2) Any further development on this property violates the County General Plan.
- 3) Annexation of a parcel this remote from the URL would set a precedent for growth inducement of all properties in the Rural Lands zoned areas.
- 4) The NCSD cannot deliver water to this property under the current Annexation Policy.

While this property is in LAFCO's Study Area 4 in their ongoing SOI Update, it is not currently in the NCSD Sphere of Influence. As you know a property must be in the Sphere of Influence before it can be annexed. As a minimum, this annexation should not even be considered until the LAFCO SOI Update is complete and free from appeals and litigation. Only then, and only if the property is brought into the NCSD Sphere of Influence should its annexation be considered.

This property is zoned Rural Lands. The minimum parcel size for any of the 4 tests for Rural Lands subdivision is 20 acres. This property is described as 5 acres with 5 or 6 residences. This clearly is not in conformance with the zoning. While the non-conforming use of the property is possibly "grandfathered," further development or improvements (such as community water and sewer) should not be encouraged or allowed. If this annexation were approved, it is likely that the owner would apply for higher density zoning (based on community services), subdivide, and sell the properties. This is certainly not a process the NCSD should encourage or enable.

If this property were annexed, it would set a precedent for all property owners in Rural Lands areas. These owners could demand annexation as equal treatment under the law, and sue the NCSD if they were denied annexation. You need to follow a consistent policy.

By the owner's statement, "This parcel does not overlie a large and reliable supply of water." The current NCSD Annexation Policy prohibits water delivery to an annexation until supplemental water is "under contract and available in the NCSD system for delivery." Supplemental water is neither under contract nor available in the NCSD system. A formal annexation without the ability to provide services the annexation demands would be a sham. This and all annexation applications with the same limitations should be rejected by the NCSD.

Sincerely yours,



Ed Eby
Save the Mesa Vice President,
NCSD Customer

NIPOMO COMMUNITY SERVICES DISTRICT MINUTES
THURSDAY, OCTOBER 16, 2003 8:30 A.M.

SPECIAL MEETING SUMMARY MINUTES *

MEETING LOCATION: District Board Room, 148 S. Wilson, Nipomo, CA

* Tapes of this meeting will be maintained in the District office for a period of one year.

A Special Meeting of the Nipomo Community Services District was held Thursday, October 16, 2003.

President Winn called the meeting to order at 8:33 a.m.

There was no public comment on items not on the agenda.

Special Meeting Minutes

1. REVIEW STATUS OF MARIA VISTA (TRACTS 1802 AND 1856) PUBLIC IMPROVEMENT PLANS AND CONDITIONS.

~~Provide Staff with directions/confirm or modify conditions.~~

Jon Seitz, District Legal Counsel, announced that this special meeting was authorized at the last meeting of October 8, 2003. Mr. Seitz gave a presentation of the demands of the Developer of Maria Vista Estates, Trincon Inc.

Jim Garing, District Consulting Engineer, gave a presentation ~~to the Board~~ concerning the water and sewer lines in the project.

Erik Benham, developer of Maria Vista spoke ~~to the Board~~ and left the room.

Michael Hodge, engineer for EDA - stated that EDA is no longer the engineer of record. He would like to see the project move forward.

John Fricks, Ogden &, LLP Fricks – developer's attorney gave a presentation regarding his client's position.

Marshall Ochylski, attorney for the developer gave a presentation outlining a settlement position and answered questions from the Board.

At 9:55 a.m. the Board took a ~~short~~ break.

At 10:09 a.m. the Board came back into session.

Mr. Ochylski resumed speaking.

Jim Garing gave a presentation on the requirements as they relate to fire flow.

Carl Moreland, present engineer of record for Maria Vista development, agreed to provide a surge analysis.

Mr. Seitz gave a presentation on a CEQA analysis.

Erik Benham gave a presentation on the history of the project.

Marshall Ochylski reiterated his client's position.

There was much discussion among the Board members, the attorneys, engineers and developers.

MINUTES SUBJECT TO BOARD APPROVAL

Upon motion of Director Vierheilg and seconded by Director Trotter, the Board agreed to the following option. Vote 3-1 with Director Wirsing voting no.

OPTION A.

1. Require further Plan Check submittals;
2. Defer resolution of sewer depth to District Consulting Engineer;
3. Developer shall complete a surge test for the water lines within the Maria Vista Tract, to the satisfaction of the District Consulting Engineer. Developer, except as provided with Section 4 below, to construct water lines consistent with the surge test;
4. If the surge test referenced in subparagraph 3 above, results in a water size line less than twelve inches (12") for the water lines within Maria Vista to Vista Del Oro and/or from Vista Del Oro extending eleven hundred feet (1,100') towards Hutton Road, then, provided that the Plans and Specifications otherwise meet with the District Consulting Engineer's approval, the District Engineer is authorized to sign off on the Plans and Specifications provided further, that the Plans and Specifications or an Agreement between the parties provides all of the following:
 - A. That the Board of Directors reserve the opportunity to require Developer to oversize the referenced water lines and reimburse the Developer for the differential costs; and
 - B. The Developer shall not construct improvements within Maria Vista and/or Vista Del Oro until the Board has reached a decision on oversizing; and
5. Recommend that Developer's engineer meet with Jim Garing to review first and second submittals and the Board's action at this meeting prior to re-submitting further Plans and Specifications.
6. Garing, Taylor and Associates, District Consulting Engineer, is designated as the District's representative for the purposes of Plan Check Approval.
7. The District shall have two (2) weeks (fourteen (14) calendar days) from the third Plan Check Submittal, to provide comments or approval of the Plan Check Submittal.

2. **ROAD REPAIR – BRACKEN LANE**

Appropriate funds to make road repair due to water line break.

The Board discussed the damage made to the water main on Bracken Lane by a contractor for The Gas Company. There was no public comment. Upon motion of Director Vierheilg and seconded by Director Wirsing, the Board unanimously approved expenditures up to \$20,000 to make repairs on Bracken Lane and to seek reimbursement from the contractor. Vote 4-0

3. **APPROVE WARRANTS**

Upon motion of Director Wirsing and seconded by Director Vierheilg, the Board approved the warrants presented. There was no public comment. Vote 4-0

ADJOURN

President Winn adjourned the meeting at 12:40 p.m.

*** Tapes of this meeting will be maintained in the District office for a period of one year.**

MINUTES SUBJECT TO BOARD APPROVAL

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

SPECIAL MEETING STUDY SESSION

OCTOBER 21, 2003 TUESDAY 8:30 A. M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, **PRESIDENT**
JUDITH WIRSING, **VICE PRESIDENT**
ROBERT BLAIR, **DIRECTOR**
CLIFFORD TROTTER, **DIRECTOR**
LARRY VIERHEILIG, **DIRECTOR**

STAFF

DOUGLAS JONES, **GENERAL MANAGER**
LISA BOGNUDA, **ASSISTANT ADMINISTRATOR**
DONNA JOHNSON, **SECRETARY TO THE BOARD**

CALL TO ORDER AND FLAG SALUTE

President Winn called the meeting to order at 8:34 a.m. and led the flag salute.

ROLL CALL

At Roll Call, the following Board members were present:

Directors Vierheilig, Trotter, Wirsing and Winn. Director Blair had a planned absence.

Public Comment on Agenda Items

~~The public has the right to comment on any item on the Special Meeting Agenda. Comments are limited to 3 minutes or otherwise at the discretion of the Chair.~~

The following members of the public spoke:

Dick Mobraaten, NCSD customer – Commented on ~~the following~~ items: A, B, C, F, & H (Lease car for office staff)

Jim Kinninger, NCAC Chair – Commented on ~~the following~~ items: F, C, E, & G

STUDY SESSION

The Board discussed the following items:

- A. SitRep [Situation Report] - What's next and where are we now re:
- Completing the Urban Water Management Plan ASAP (possibly by contracting it out)?
 - Completing an agreement with the City of Santa Maria for a reliable and cost-effective supplemental water source?
 - Developing a multi-tiered rate structure, to encourage responsible water use and discourage wasting of water without "punishing" responsible ratepayers (possibly by contracting the rate study out)?
 - Completing assumption of Nipomo Lighting District and, in Galaxy Park, for sewer and solid waste?
 - Working with east-side District ratepayers on septic tanks issues and to complete sewer hookups?
 - Evaluating the feasibility of the incorporation of Nipomo?

MINUTES SUBJECT TO BOARD APPROVAL

NIPOMO COMMUNITY SERVICES DISTRICT
MINUTES
SPECIAL MEETING
STUDY SESSION
OCTOBER 21, 2003 TUESDAY 8:30 A. M.
BOARD ROOM 148 S. WILSON STREET NIPOMO, CA
PAGE TWO

- B. Develop a supplemental source from ~~our~~ a well site on the Santa Maria River, negotiating a "pump tax" with Santa Maria for Twitchell Dam

Consider a replacement well on Carriage Homes subdivision.

Initiate the process of building a desalinization plant that could be expanded as the community grows, possibly in cooperation with a neighboring community

- C. Policy re supplemental water required for ALL density increases inside NCSD allowed by changes in zoning or planning standards, possibly including hookup fees for "granny" units

Coordinate a well monitoring plan with the County (Public Works & Dept. of Health Services) and the RWQCB, with semiannual water contour mapping and hydrologic inventory; coordinate testing and enforcement of water quality standards on the Mesa with the County (Dept. of Health Services) and the RWQCB

Request the environmental documents from the PUC for Cal Cities on the Mesa. This would help in the tracking of what Cal Cities proposes for wells and where those wells will be located. That would affect safe yield, and then we would have documents for water quality and well levels. [Public Resource Code Section 21163 requires the PUC to provide those documents upon request.]

- D. Create an inventory & long-term policy re major annexation requests likely to be served by the NCSD: E.g., Ken Craig on Willow, Cañada property along Hwy 101, Mehlschau et al. along Hwy 101, former Egg City Corp land on Southland, Kaminaka on Pomeroy

- E. Provide Parks & Rec services desired by NCSD ratepayers, identifying revenue stream(s) for sustainable funding

- F. Work with NCAC to improve relations between NCSD & County

- G. Slow our rapid development pace to a "slow docking" over the next 5 years, without injuring Nipomo's economy or stopping all growth, but to preserve our water resources and groundwater quality

- H. Others

President Winn adjourned the meeting at 12:40 p.m.

ADJOURN

MINUTES SUBJECT TO BOARD APPROVAL

NIPOMO COMMUNITY SERVICES DISTRICT

MINUTES

OCTOBER 22, 2003

REGULAR MEETING 9:00 A.M.

BOARD ROOM 148 S. WILSON STREET NIPOMO, CA

BOARD MEMBERS

MICHAEL WINN, PRESIDENT
JUDITH WIRSING, VICE PRESIDENT
ROBERT BLAIR, DIRECTOR
CLIFFORD TROTTER, DIRECTOR
LARRY VIERHEILIG, DIRECTOR

STAFF

DOUG JONES, GENERAL MANAGER
LISA BOGNUDA, ASSISTANT ADMINISTRATOR
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL

~~NOTE: All comments concerning any item on the agenda are to be directed to the Board Chairperson. Consistent with the Americans with Disabilities Act, NCSD Board agendas and other writings will be made available to disabled persons in an appropriate alternate format. (If assistance is needed, please contact the District office at least one day before the meeting.)~~

A. CALL TO ORDER AND FLAG SALUTE

~~NEXT RESOLUTION 2003-884~~

President Winn called the meeting to order at 9:01 a.m. and led the flag salute.

B. ROLL CALL

At Roll call, all Board members were present

C. PUBLIC COMMENTS PERIOD

PUBLIC COMMENTS

~~Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, provided the matter is not on the Board's agenda, or pending before the Board. Presentations are limited to three (3) minutes or otherwise at the discretion of the Chair.~~

There ~~was~~ were no public comments.

D. ADMINISTRATIVE ITEMS (The following may be discussed and action may be taken by the Board.)

D-1) NIPOMO INCORPORATION STUDY ~~— DAVIS COMPANY~~

~~Draft report on the incorporation study~~

Mr. Michael Davis of the Davis Company reviewed the draft report in detail. Board discussion ensued.

The following members of the public spoke:

Jim Kinninger, NCAC Chair – stated that he would like at least 5 copies for the NCAC to review before their next meeting. He also encouraged the Board and the public to contact SLO County about the proposed road fees.

Ed Eby, NCSD customer – questioned the following ~~things~~ items

Boundaries – is Blacklake excluded? Is Woodlands included? Should Area 11 be in total Why is area 9 & 10 not included? Are granny units included in the count?

He stated that the police cost needs more scrutiny.

Richard Colwell, property owner in area 4 – state concern over industrial area so close to residential

Guy Murray, NCSD customer – congratulated Mr. Davis ~~for~~ on a good report and the Board for the foresight to ~~conduct~~ commission the ~~this~~ report. He also stated that many wish to keep Nipomo rural. He stated that the possibility of the ~~car tax~~ auto licensing fee money being lowered may not be critical because the money to run a city must come for somewhere. He stated that we should make the County accountable for the money spent on policing. He encouraged the Board to go forward, have town hall meetings, etc.

Frank LaSalle, NCSD resident – asked who was in charge of incorporation.

It was agreed that ~~The~~ Board's incorporation subcommittee (Directors Wirsing and Winn) ~~will~~ meet.

Mr. Davis suggested they meet with LAFCo. ~~He~~ Mr. Davis then answered some of the questions and comments ~~from the~~ made by the public.

Director Blair made a motion to move forward toward cityhood whatever it takes. The motion died for a lack of a second.

Director Vierheilg made a motion to finalize the report. Director Trotter seconded the motion. Vote 5-0

MINUTES SUBJECT TO BOARD APPROVAL

D-2) PROPOSED ANNEXATION NO. 26 – MOSS LANE
~~Initiate proceeding to annex 6 lots on Moss Lane~~

The Board discussed the process of annexing an area on Moss Lane near Tract 1802 and 1856, which was inadvertently excluded from the Annexation No. 20.

The following member of the public spoke:

Erik Benham, Maria Vista developer – stated that he received notice this morning about this item and would like to have the item continued until more information is received and he has time to review the information.

Jessie Cavazos, owner in the Moss Lane area – asked how he can receive water and sewer service from the District.

Ed Eby, NCSD resident – stated that he didn't understand what was happening in this item.

Mary Cavazos, owner in the Moss Lane area – stated that she would like to have her property served.

Director Wirsing stated that she wants it on the record that she has been against this project from the beginning (Maria Vista Estates).

Director Trotter made a motion to direct staff provide more information on this item.

The motion died to the lack of a second.

Upon motion of Director Blair and seconded by Director Trotter, the Board directed staff to come back to another meeting with more information from legal counsel with options to proceed on this item. Vote 5-0

E. OTHER BUSINESS

E-1) CSDA SUPPORT FOR A BALLOT INITIATIVE
~~Proposed statewide initiative to keep local revenues local~~

The Board discussed the request from CSDA for financial support to in placing a proposed initiative on the November 2004 ballot. Upon motion of Director Blair and seconded by Director Wirsing, the Board agreed to direct staff to bring back more information concerning the initiative and the possible support ~~possibility supporting the initiative~~. There was no public comment. Vote 5-0

F. CONSENT AGENDA *The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately. Questions or clarification may be made by the Board members without removal from the Consent Agenda. The recommendations for each item are noted in parenthesis.*

- F-1) WARRANTS [RECOMMEND APPROVAL]
- F-2) BOARD MEETING MINUTES [RECOMMEND APPROVAL]
Minutes of October 8, 2003, Regular Board meeting
- F-3) INVESTMENT POLICY – 3rd QUARTER [Receive & File]
- F-4) FINANCIAL REPORT – 1st QUARTER [Receive & File]
- F-5) RESOLUTION AUTHORIZING NCSD TO INVEST MONIES IN
THE LOCAL AGENCY INVESTMENT FUND (LAIF) [RECOMMEND APPROVAL]

The Board ~~pulls~~ removed F-2 from the Consent Agenda.

Upon motion of Director Blair and seconded by Director Wirsing, the Board unanimously approved the Consent Agenda except F-2. F-2 was continued until the next meeting.

There was no public comment. Vote 5-0

RESOLUTION NO. 2003-884
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING INVESTMENT OF MONIES
IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)

G. MANAGER'S REPORT

Doug Jones, District General Manager, presented information on the following.

- G-1) COMPLIMENTARY LETTER FROM CUSTOMER
- G-2) CDF STATE RESPONSIBILITY AREA FIRE PROTECTION FEES

The 2003 updated DWR 118 Report is available in the office.

Employees will trade the November 40-11 Veterans Day holiday for the day before

Thanksgiving.

H. COMMITTEE REPORTS

The Finance Committee wishes to commend Lisa for the percentages shown on the graphs presented in the financial report. Director Trotter would like to see the totals also.

I. DIRECTORS COMMENTS

Director Blair – stated that the booth at the park was not set up. He also stated that the public should know about the fire fees (Senate Bill 1049) referred to in the manager's report.

Director Vierheilig – stated that the booth at the park should have been prepared better.

Director Wirsing – stated that she was disappointed with the booth.

Director Trotter – stated that he was concerned that nothing was done with the booth.

President Winn – asked about the SOI MOA. Mr. Seitz will ask about it.

He also asked about the Board table. Mr. Jones said it should be ready in about 3 weeks.

Clean-Up Week is this week. The Salmon Enhancement will present NCSD with a bill.

The Chamber of Commerce will meet Tues. Oct. 28, 7:00 a.m. at the Blacklake Community Building and the Board members are invited. A critical issue of the breaking out two parcels from open space in San Luis Obispo is setting a precedent.

Jon Seitz, District Legal Counsel, announced the need to go into Closed Session to discuss the listed items below.

There was no public comment on the Closed Session items.

CLOSED SESSION

~~CONFERENCE WITH LEGAL COUNSEL Pending Litigation GC554956.0~~

~~A. SMVWCD VS NCSD SANTA CLARA COUNTY CASE NO. CV 770214 AND ALL CONSOLIDATED CASES.~~

~~B. WATER LINE EASEMENT ACROSS COUNTY PARK DISTRICT NEGOTIATOR DOUG JONES, CONFERENCE WITH NEGOTIATOR GC554956.8 COUNTY NEGOTIATOR PETE JENNY, REGARDING TERMS & PRICE.~~

~~C. ANTICIPATED LITIGATION, ONE CASE GC 554958.0~~

The Board came out of Closed Session at 1:19 p.m. and President Winn announced the necessity to set a Special Meeting for a conference with legal counsel. On a 5-0 vote, the Board agreed to have a Special Meeting no later than Friday, November 7, 2003.

ADJOURN

President Winn adjourned the meeting at 1:20 p.m.

The next regular Board meeting will be November 5, 2003.